



Office of Multifamily Housing Assistance Restructuring

**Field Communication Call
Monday, May 24, 2004
3:00 pm – 4:00 pm Eastern DT
Call-In Number: 800-923-4207
Chairperson: Charles H. Williams
Co-Host: Ted Toon**

AGENDA

1. New & Recurring Underwriting Issues:

April Chang

- **Owner Execution of Form 4.7**
- **Evaluation of voucher utilization rates**
- **Third Party Appraisal Quality Issues**
- **Acceptable Replacement Reserve “Floors”**
- **Subordination of existing secondary debt**
- **Estimation of closing and transaction costs**
- **Ensuring inclusion of all conditions in the RC (e.g. requirement for completion of critical repairs, clearance of all payables and obtaining Owner’s Payables Certifications)**
- **Estimating insurance for the underwriting year**
- **Owner’s entitlement to excess reserves not residual receipts**
- **Refrain from hard coding 1st Mortgage Amount in Model**
- **Explanation of rehab escrow administration fees in model**
- **Who handles what at OMHAR**